

**For Immediate Release**  
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**Board of Equalization Announces Enhanced Compliance Effort**  
***Businesses Get Answers Regarding New Statewide Outreach Program***

**Sacramento** – More than 8,000 businesses in seven different zip codes throughout the state are being notified this week of impending visits from Board of Equalization (BOE) specialists who will be canvassing the areas to ensure the businesses are properly registered and paying taxes.

This new enhanced compliance effort is slated to begin mid-September. The first areas to get visits under this program are: 94608 - Emeryville; 95826 - Sacramento; 95110 - San Jose; 91406- Van Nuys; 90505 - Torrance; 92701 - Santa Ana; and 92570 - Perris.

The BOE held an advisory meeting today with business representatives about a new statewide compliance enhancement program to be launched in the coming weeks. The meeting gave businesses and their representatives a chance to learn about the new program, get their questions answered, and voice any concerns. The BOE meeting is one of many outreach efforts to inform businesses of an upcoming increase in door-to-door visits by BOE representatives statewide.

The goal of these visits by BOE specialists is to ensure all businesses are properly registered so there is no unfair business advantage over those businesses that are properly registered and reporting their taxes/fees. It is estimated that over three percent of businesses operating in California do so without the appropriate permits or licenses that allow for collection of sales and use tax, as well as other taxes and fees. A recent two-year pilot Business License Inspection Program showed this to be an accurate estimate. Non-compliance is a part of the more than \$2 billion sales and use tax gap.

The BOE specialists will conduct checks for seller's permits of all storefronts and other known business locations in each neighborhood. Initially, there will be seven teams located throughout the state that will begin their door-to-door visits based on zip code. Registered retailers will be checked for appropriate permits and licenses as well as service industry businesses, especially if the particular service industry also sells taxable retail items. Those businesses found to be out of compliance will be given instructions on how to register with the BOE and given information about other necessary licenses.

The advisory meeting in Sacramento was the first of two meetings intended to educate businesses throughout California on what a visit from a BOE specialist will entail. A second meeting will be held in the BOE's Culver City Board Room on August 26, 2008.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

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